

**LFC Requester:****Christina Keys 27****AGENCY BILL ANALYSIS  
2016 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:****[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)***and***[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)***{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}**Check all that apply:*

Original ☐ Amendment ☒  
 Correction ☐ Substitute ☐

**Date** 02/04/2016**Bill No:** SB 276**Sponsor:** Richard C. Martinez**Agency Code:** 305**Short** Motor Vehicle Excise Tax**Person Writing** Lori Chavez**Title:** Act/State Transportation**Phone:** 505-222-9043 **Email** Lchavez@nmag.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE****BILL SUMMARY**

This analysis is neither a formal Attorney General's Opinion nor an Attorney General's Advisory Letter. This is a staff analysis in response to an agency's, committee's, or legislator's request.

**Synopsis:**

SB 276 amends both the Motor Vehicle Excise Tax Act and the Highway Department Organization Act.

SB 276 amends Section 7-14-4 of the Motor Vehicle Excise Tax Act by increasing the rate of the excise tax applied to the price of motor vehicles. The rate would be temporarily increased from 3% to 5%. Section 7-14-10 is amended to permit 40% of the proceeds from the increased excise tax to be placed into the Highway District Projects Fund. The increased excise tax rate would be charged from July 1, 2016 to July 1, 2031.

SB 276 adds a new section to the Highway Department Organization Act to create the Highway District Projects Fund. Section 67-3-59.5 defines how the fund may be used and its primary purpose is to fund certain investment highway projects throughout the state. SB 276 also adds a new section that delegates the responsibilities of managing the fund to the State Transportation Commission. Section 67-3-59.6 defines how the commission may issue bonds.

Costs for operating the fund is paid from part of the 40% proceeds raised by the increased excise tax.

**FISCAL IMPLICATIONS**

n/a

**SIGNIFICANT ISSUES**

n/a

**PERFORMANCE IMPLICATIONS**

n/a

**ADMINISTRATIVE IMPLICATIONS**

n/a

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

n/a

**TECHNICAL ISSUES**

n/a

**OTHER SUBSTANTIVE ISSUES**

n/a

**ALTERNATIVES**

n/a

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

n/a

**AMENDMENTS**

n/a